

**MEETING OF
COMMITTEE OF THE WHOLE
OF THE BOARD OF TRUSTEES
HOUSTON COMMUNITY COLLEGE**

October 7, 2014

Minutes

The Board of Trustees of Houston Community College met as a Committee of the Whole on Tuesday, October 7, 2014, at the HCC Administration Building, 2nd Floor, 3100 Main in Seminar Room B, Houston, Texas.

MEMBERS PRESENT

Neeta Sane, *Chair*
Christopher W. Oliver, *Vice Chair*
Zeph Capo
Eva Loredo
Sandie Mullins
Carroll G. Robinson
Adriana Tamez
David B. Wilson

ADMINISTRATION

Cesar Maldonado, Chancellor
E. Ashley Smith, Acting General Counsel
Shantay Grays, Chief of Staff
William Carter, Vice Chancellor, Information Technology
Steve Levey for Zachary Hodges, Acting Vice Chancellor, Academic Affairs
Diana Pino, Vice Chancellor, Student Services
Teri Zamora, Vice Chancellor, Finance and Planning
Michael Edwards, Acting President, Coleman College
Margaret Ford Fisher, President, Northeast College
Fena Garza, President, Southwest College
William Harmon, President, Central College
Butch Herod, Acting President, Northwest College
Irene Porcarello, President, Southeast College
Janet May, Chief Human Resources Officer

OTHERS PRESENT

Derrick Mitchell, Board Counsel, Bracewell & Giuliani
Jorge Rodriguez, Financial Advisor, Coast Securities
Susan Goll, President, Faculty Senate
Jodie Khan, President, COPA
Other administrators, citizens and representatives from the news media

(The following Trustees were present: Capo, Loredo, Oliver, Robinson, Tamez, Sane and Wilson)

CALL TO ORDER

Mrs. Neeta Sane, Chair, called the meeting to order at 4:04 p.m. and declared the Board convened to consider matters pertaining to Houston Community College as listed on the duly posted Meeting Notice.

Mrs. Sane apprised that the items will be taken out of order and informed that item A.6 has been pulled by administration.

AUTHORIZE TRANSFER OF FUNDS FROM BOND CIP PROJECT J (NORTHEAST-NORTH FOREST CAMPUS) TO BOND CIP PROJECT I (NORTHEAST-NORTHLINE CAMPUS)

The item was pulled by administration.

APPROVE CONCEPT OF THE HCC INTERNATIONAL INITIATIVES MODEL

Motion – Ms. Loreda moved and Dr. Tamez seconded.

(Ms. Mullins joined the meeting at 4:05 p.m.)

Dr. Maldonado apprised that the item would provide approval for the concept and informed that under no circumstances will contracts be entered into without Board approval. He noted that Dr. Steve Levy would provide an overview of the concept model.

Dr. Levey provided an overview to include the following:

- Mission Statement
- Delivery Methods
- Additional Fee-Based Services
- International Programs Community Advisory Board
- Timeline for Implementation

Dr. Maldonado apprised that the Advisory Board would provide insight, information, and support to HCC in global areas to include:

- Strategic international program development, quality, and management
- Assess international program goals and outcomes
- Recommend an updated mission statement regarding international initiatives for adoption by the Board

Dr. Maldonado noted that the timeline will include:

- October 2014 - The new HCCS model for international engagement is presented to the Board.
- November 2014 - Formal public consideration and adoption of the strategy and appoint the international Advisory Board.
- December 2014 - Implementation of the strategy.

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Dr. Maldonado informed that the basic strategy is to use existing resources to generate revenues.

Mrs. Sane inquired of the strategy to help local students. Dr. Maldonado apprised that through the partnerships, the international community is expected to grow, which will expose current students to a broader range of diversity and increase revenues.

Mr. Oliver inquired of the overall purpose for local students other than to generate revenue. He noted that the information appears vague and requested specifics regarding the size and support of the Advisory Board. Dr. Maldonado informed that there is a definitive delivery method provided in the concept model. He apprised that in terms of the Advisory Board, there is a level of vagueness to allow for input from the community. He noted that the approval desired is regarding the framework. Dr. Maldonado informed that a tighter concept will be presented to the Board with the financial data.

Mr. Oliver inquired if there has been consideration regarding the geographic areas. He apprised that the concept is acceptable but he desires to see more information. Dr. Maldonado noted that the strategy regarding geographic focus will be developed; however, there needs to be input from the broader community. He informed that the Advisory Board would share ideas and bring recommendations to the Board.

Mr. Oliver apprised that possibly other entities such as the Greater Houston Partnership could provide insight regarding the initiative. He noted that the item needs to be revamped.

Mrs. Sane informed that she views the item as a systematic approach regarding international programs available. She apprised that the concept appears to be more of an approach as to how future international initiatives will be handled. She noted that the previous approaches were random and informed that the item provides a start to an approach to international initiatives.

Mr. Robinson apprised that he has some degree of discomfort because the pre-admission has been passed and a \$1 million scholarship fund has been approved. He noted that the community does not know about the pre-admission or available scholarships. Mr. Robinson informed that he is gun shy until exposure to these programs is more present in the community. He apprised that the presentation in the Academic Affairs/Student Success Committee showed enrollment numbers are flat.

Mr. Robinson noted that he would like to see a friendly amendment that splits the revenues fifty-fifty between scholarships and faculty development. Mrs. Sane informed that the Board is not ready to define how revenue will be allocated. Mr. Robinson apprised that he does want to give direction as to how the funds will be used. He noted that if the remaining Board members do not want to amend the item, it is their right to cast a vote.

Mr. Robinson informed that Board Counsel needs to be in the forefront on all the initiatives. He apprised that he would amend to make certain Board Counsel is involved.

Mr. Robinson noted that he would like to have an appointment to the Advisory Board. He informed that his focus would be to bring international students to HCC and to target the following geographic areas:

- China
- India
- Mexico
- Caribbean
- Africa
- Middle East

Mrs. Sane clarified that Mr. Robinson's amendment was that a portion of the revenue generated be allocated for scholarships. She apprised that there might be a need for equipment or training for students.

Ms. Mullins noted that the mission statement needs tweaking because it could appear that the focus is on international business. She informed that the college is not here to support international businesses. She apprised that the mission needs to be student based and the benefit needs to be locally. Ms. Mullins noted that a la cart is good but there needs to be a break out of gross and net. She informed that she has mixed feelings regarding the Advisory Board because there are local critical issues that need to be addressed. She requested more structure regarding the Advisory Board.

Dr. Tamez apprised that the item is to approve the concept. She noted that as the model is developed it will encompass the concerns raised by the Board. She informed that she supports the concept but also supports the thoughts of her colleagues that the revenues should support the local students.

Mr. Capo apprised that the idea of utilizing the distance education program is moving in the right direction.

(Ms. Mullins stepped out at 4:41 p.m.)

Mr. Capo noted that there are a couple of international programs currently in place that need to be dealt with before moving forward with new initiatives. He informed that external advisory boards should be comprised under the purview of the Board. Mr. Capo apprised that he supports assisting international business that employ locally. He noted that the timeframe needs to be adjusted.

(Ms. Mullins returned out at 4:42 p.m.)

Ms. Loreda noted that she is glad to see a framework initiated and apprised that the Board needs to be informed of the initiatives. She inquired of the number of students in distance education. Dr. Levey noted that there are approximately 18,000 unduplicated students. Ms. Loreda informed that the effort will bring in revenue but must make certain that the focus is to assist the students.

Mr. Wilson apprised that his understanding of the education code states that the college could only spend money in its designated district. He informed that the focus must be to take care of home before considering the international concept. He apprised that the people in the communities do not support international initiatives.

Mr. Oliver associated with Mr. Capo and Ms. Loredo that the effort should not be just for generating revenues. He recommended that the concept be revamped based on the input from the Board. He apprised that the existing international program should be incorporated with the concept. He noted that the timeline needs to be revisited.

Mrs. Sane informed that she feels that the concept is fine and noted that the Chancellor cannot be held accountable for the previous administration's decisions. She apprised that she supports the concept. Mrs. Sane noted that the concept would allow for Dr. Maldonado to provide his vision regarding the international initiative.

Ms. Loredo clarified that there are currently international programs in place and inquired if this will be separate. Dr. Maldonado informed that this will be separate from the current programs in place.

Mrs. Sane apprised that she would like to see what internal changes are being made prior to moving forward with the international concept.

Mr. Oliver inquired if the item should be tabled for future consideration.

Ms. Mullins noted that the item is to approve the international concept model and informed that she is in support of approving the concept but not ready to move forward regarding the negotiation piece.

Mrs. Sane apprised that more structure could be provided regarding the model.

Mr. Robinson noted that he supports going international and clarified that there needs to be better promotion of what is already in place locally because the public is not sufficiently aware. He apprised that the only reason he discusses past experience is because it informs of the policy solutions placed on the table. Mr. Robinson noted that Ms. Loredo's comments are important to him and inquired if the international initiative includes efforts to recruit students into the country.

Dr. Maldonado informed that Ms. Loredo's inquiry was if there is a separate international program and apprised that the answer is yes. He noted that the answer to Mr. Robinson's inquiry is also yes; he noted that the second item on the chart presented, states the second year delivery method is to bring students to HCC.

Mr. Robinson informed that decisions about revenue creation and streams are policy issues, which are determined by Board action.

Mr. Robinson apprised that Board Counsel needs to be involved and reiterated that every contract needs to go through the Office of General Counsel. He noted that all international contracts need to go through Board Counsel for review. Mr. Robinson

informed that the General Counsel does not typically represent the Board's interest. He apprised that the attorney for the Board needs to fully, clearly, and expressly be a part of the procedural process for review.

Mr. Robinson noted that scholarships and faculty development are two imperative issues and the allocation to those areas will assist in addressing those issues.

Mr. Robinson informed that he is satisfied with the proposed change to the item suggested by Ms. Mullins to approve the concept and drop the negotiation portion outside of the Nigeria item. He recommended approving the model.

(Dr. Tamez stepped out at 5:01 p.m.)

Dr. Maldonado apprised that in addition to Nigeria, there are other relationships that administration is currently working on. He noted that decision regarding allocation of the funds is clearly a Board decision and informed that the approval of the item would allow engaging in dialogue with a foreign partner to form a contract for Board Counsel's review prior to bringing to the Board for consideration. Dr. Maldonado apprised that the action would give a starting point and noted that the administration's vision is not to put faculty overseas but to develop a program that generates revenue for the institution.

(Dr. Tamez returned at 5:03 p.m.)

Mr. Oliver inquired why the Board is voting on the concept.

Mr. Capo noted that the Chancellor addressed the questions that he had as to what is in the works that would cause an issue for approving the concept. He inquired of a realistic timeline in consideration of the discussions currently underway. Mr. Capo inquired if the Advisory Board discussion could be brought before the Board next month. He informed that he does not want to see an Advisory Board appointed without input from the Board.

Dr. Maldonado apprised that the Advisory Board establishment is not critical in the timeline. He noted that it is to seek input as to what the model would be. He informed that the contracts would come to the Board for approval. Dr. Maldonado apprised that the concept is a starting point to begin a framework to negotiate partnerships to bring back to the Board for consideration. He noted that the Board would not find out in an inappropriate way regarding various partnerships.

Mr. Capo informed that he would rather have a framework than no framework. He apprised that he would rather solve the issues on the table.

Dr. Maldonado noted that the issues of the two existing contracts are not a part of the concept and informed that this action is separate and apart from those contracts.

Mr. Capo apprised that he would not want to move forward until it is clear regarding the current contracts.

Mrs. Sane noted the options are to either vote on the item at a later time or keep the item and take a vote. She inquired if Dr. Maldonado wanted to suggest modifications to the item presented.

Mr. Oliver informed that his comments were to inquire if the Chancellor wanted to table the item or move forward with a vote.

Mr. Robinson apprised that the Board is aware of item #7 regarding Nigeria and reiterated that Dr. Maldonado mentioned that there was discussion with Mexico. He inquired if there was anything else and noted that the Board could approve with the understanding that the negotiations are just with Nigeria and Mexico. Dr. Maldonado noted that those are all that he is aware of but that does not mean that someone would not contact the college to discuss a possible partnership.

Mr. Capo informed that future inquiries should be advised that the college is not able to enter any discussion without approval from the Board.

Mr. Robinson apprised that he is okay with moving the item forward with the understanding that there are negotiations with Nigeria and Mexico but new opportunities will be brought to the Board.

Mrs. Sane recommended amending the item to negotiate with Nigeria and Mexico and any other opportunities that may come forward will be brought back to the Board.

Amended Motion - Mrs. Sane moved and Mr. Robinson seconded to amend to include negotiation with Nigeria and Mexico and any other opportunities that may come forward will be brought back to the Board.

Mr. Robinson clarified that the amendment will move the item forward and the Chancellor is in negotiation with Nigeria and Mexico but if anybody else comes in the door, they will wait until the item comes back before the Board. Mr. Capo noted that the item is striking “international clients” and replacing with “Nigeria and Mexico”.

Vote on amendment – The motion passed with a vote of 6-1-1 with Mr. Wilson opposing and Mr. Oliver abstaining.

Mrs. Sane informed that the amendment passed and called for a vote on the amended motion.

Mr. Robinson informed that he wanted to discuss the scholarship part. Mr. Capo apprised that is the part that he left off because he is in agreement with Mr. Robinson that there needs to be a discussion regarding how to prioritize all of the revenue. He recommended discussing the auxiliary fund and the fund balance together at a later date.

Mr. Robinson noted that he associates with Mr. Capo with the exception to making this a restricted revenue source.

Mr. Oliver called the question.

Mrs. Sane noted that the question has been called and took a vote on the amended motion.

Vote on Amended Motion – The motion passed with vote of 5-2-1 with Mr. Oliver and Mr. Wilson opposing and Mr. Robinson abstaining.

ENTREPRENEURIAL PARTNERSHIP WITH FEDERAL POLYTECHNIC OF OIL AND GAS

Dr. Maldonado pulled the item because it was approved as a part of the international initiative concept item.

HCC REPRESENTATIVE ON MISSOURI CITY TAX INCREMENTAL REINVESTMENT (TIRZ) ZONE 3

Motion – Mr. Robinson moved and Mr. Capo seconded. The motion passed with vote of 8-0.

(Mr. Capo left at 5:16 p.m.)

(Mr. Oliver stepped out at 5:17 p.m.)

INVESTMENT REPORT FOR THE MONTH OF AUGUST 2014 AND MONTHLY FINANCIAL STATEMENT FOR AUGUST 2014

Motion – Dr. Tamez moved and Ms. Loredo seconded.

Mrs. Teri Zamora presented a summary of the Investment Report and Monthly Financial Statement for the Month of August 2014.

Mr. Robinson expressed appreciation to the Chancellor regarding the scholarships but noted that there is no policy. He requested that in preparation for the next budget cycle, consideration is given regarding the proposed policy that would allow for a percentage of the fund balance to be set aside for scholarships.

(Mr. Oliver returned at 5:20 p.m.)

Mr. Robinson recommended reviewing the program implemented in Chicago that provides a full scholarship to first time college attendees that graduated from high school with a 3.0 or higher grade point average. He informed that there is a responsibility to make certain students have an opportunity to attend school.

Ms. Loredo inquired as to the process for students to apply for the \$1 million scholarships. Mrs. Zamora apprised that the criteria are currently being reviewed so that the scholarship could be implemented immediately.

Mr. Oliver requested information of the number of students currently receiving financial aid and how much financial aid has been disbursed over the last three years.

Mr. Robinson noted that his discussion regarding scholarships relates to economic reality. He informed that everyone should be concerned with college debt load.

(Mr. Robinson stepped out at 5:27 p.m.)

Mr. Oliver apprised that scholarships are important but there needs to be a review regarding all demographics for students to go to college.

Vote – The motion passed with vote of 6-0.

ADJOURNED TO CLOSED SESSION

Mrs. Sane adjourned the meeting to Executive Session at 5:28 p.m. notice having previously been given and reiterated in accordance with Sections 551.071, 551.072, and/or 551.074 of the Open Meetings Law. Mrs. Sane stated that any final action, vote or decision on any item discussed in Executive Session would be taken up in Open Session or in a subsequent Public Meeting.

Mrs. Sane reconvened the meeting in Open Session at 6:59 p.m. and entertained any motions on pending matters.

(The following Trustees were present: Mullins, Oliver, Robinson, Sane, Tamez and Wilson)

Mrs. Sane noted that the Board would consider items A.1 through A.4

Motion – Mr. Robinson moved and Mr. Oliver seconded to approve items A.1 through A.4. Dr. Tamez commended Dr. Maldonado and the Board for making sure that what was promised to the communities was followed through as far as the bond is concerned, and in her case in particular, making sure the community in Southeast and Central area reaps as all the communities.

Vote – The motion passed with vote of 5-1 with Mr. Wilson opposing. The following items were approved:

- Authorize Transfer of Funds from Bond CIP Project N (Coleman Campus) to Bond CIP Project C (Southwest-West Loop Campus) and Project D (Southwest-Brays Oaks Campus).
- Authorize Transfer of Funds from Fund Balance to Reimburse Bond CIP Project N (Coleman Campus) for Funds Transferred to Bond CIP Project C (Southwest-West Loop Campus) and Bond CIP Project D (Southwest-Brays Oaks Campus).
- Authorization to Acquire Certain Real Estate at or Near Brays Oaks.
- Authorization to Acquire Certain Real Estate at or Near Southwest-West Loop Campus.

Mrs. Sane called for a motion to reconsider item A.6.

Motion to Reconsider – Ms. Mullins moved and Mr. Oliver seconded to reconsider Item A.6 to approve the concept of the HCC International Initiatives Model. The motion passed with a vote of 6-0.

Amendment – Mr. Robinson moved and Ms. Mullins seconded to amend to add all existing international programs to be reviewed in the model contained in the item and dedicate the revenue 50% to debt reduction, 25% for scholarships and 25% for faculty development.

Mr. Robinson called the question.

Dr. Maldonado inquired if the amendment would include all existing negotiations. Mr. Derrick Mitchell informed that item would include Mexico, Nigeria, Vietnam, Qatar, and China.

Mr. Robinson apprised that he did not want to name beyond Mexico and Nigeria but to include all existing negotiations and dedicate the revenue 50% towards debt reduction, 25% for scholarships and 25% for faculty development.

Vote - The motion failed with vote of 4-2 with Trustees Mullins, Oliver, Robinson and Tamez in favor and Trustees Sane and Wilson opposing.

ADJOURNMENT

With no further business coming before the Board, the meeting adjourned at 7:05 p.m.

Minutes recorded, transcribed & submitted by:
Sharon Wright, Manager, Board Services

Minutes Approved as Submitted: November 18, 2014